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FM AMEMBASSY DAR ES SALAAM

TO RUEHC/SECSTATE WASHDC 8184

INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC

RUCPDOC/DEPT OF COMMERCE WASHDC

RUCPDOC/USDOC WASHDC

RUCPCIM/CIMS NTDB WASHDC

RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

RUEHNR/AMEMBASSY NAIROBI 1108

RUEHLGB/AMEMBASSY KIGALI 1210

RUEHJB/AMEMBASSY BUJUMBURA 2766

RUEHKM/AMEMBASSY KAMPALA 3282

UNCLAS SECTION 01 OF 07 DAR ES SALAAM 000032

SIPDIS

STATE FOR AF/E JLIDDLE, EB/IFD/OIA

E.O. 12958: N/A

TAGS: [BEXP](#) [BTIO](#) [ECON](#) [EINV](#) [FTRD](#) [OPIC](#) [KTDB](#) [USTR](#) [TZ](#)

SUBJECT: TANZANIA 2009 INVESTMENT CLIMATE STATEMENT

REF: 2008 STATE 123907

Openness to Foreign Investment

[¶](#)1. The Government of Tanzania (GOT) generally has a favorable attitude toward foreign direct investment (FDI) and has made significant efforts to encourage foreign investment. Inflows of FDI continued to grow in 2007, according to the United Nations Conference on Trade and Development (UNCTAD) World Investment Report [2008](#). There is no restriction in foreign exchange. Foreign investors generally receive national treatment; however, the Tourism Act of 2007 bars foreigners from engaging in some tourism-related businesses. The Tanzanian Investment Center (TIC), established by the Tanzanian Investment Act of 1997, is the focal point for all investors' inquiries and facilitates project start-ups. TIC continues to improve investment facilitation services, provide joint venture opportunities between local and foreign investors, and disseminate investment information. Companies holding TIC certificates of incentive are allowed 100% foreign ownership; VAT and import duty exemptions; and repatriation of 100% of profits, dividends, and capital after tax and other obligations. Similar incentives are offered to investors in Zanzibar through the Zanzibar Investment Promotion Agency (ZIPA).

[¶](#)2. Among investment and trade opportunities promoted by the TIC are agriculture, mining, tourism, telecommunications, financial services, and energy and transportation infrastructure. The GOT accepts foreign investment in Build, Operate and Transfer (BOT) projects and has launched a concession system aimed at attracting foreign investors to build infrastructure. Investment tax incentives are stable and predictable.

[¶](#)3. Land ownership re-ekog zwqwKp|dtQ